ORIGINAL

MARANA

UTILITIES DEPARTMENT

August 12, 2013

Arizona Corporation Commission
Commissioners Wing
1200 West Washington
Phoenix, AZ 85007-2996

**SUBJECT: AEPCO APPLICATION FOR RATE DECREASE
                      ACC Docket No. E-01773A-12-0305**

To the ACC Commissioners:

The Town of Marana is a customer of Trico Electric Cooperative. As such, Marana supports the application of Arizona Electric Power Cooperative (AEPCO) for an overall decrease in its rates. Marana is a growing community that has attracted the attention of small and mid-size businesses looking to relocate to Arizona.

In July 2012, AEPCO announced it was seeking a rate decrease of about 2.77 percent as a result of its successful cost containment measures. This was fantastic news for Trico's customers, including Marana, because it would result in a direct savings on the customers' monthly electric bills.

ACC Staff's consultants are now proposing a rate *increase* for AEPCO. The consultants state that the increase is necessary to cover possible future expenses associated with EPA compliance; however, those costs are not yet known or measurable. Should a future EPA decision affect AEPCO, we understand that AEPCO would need to make appropriate adjustments to its wholesale rate at that time.

Trico estimates the difference between AEPCO's and ACC Staff's proposal is about $4 a month on the residential customer electric bill. This amount could be significant to many of Marana's economically challenged residents.

Marana respectfully requests that you allow the rate decrease as originally proposed in AEPCO's rate filing. This will directly benefit Trico's predominantly residential, rural customers, while maintaining the financial health of AEPCO and its member distribution cooperatives like Trico.

Thank you for your time.

Sincerely,

John P. Kmiec
Utilities Director – Town of Marana, Arizona

CC: Del Post, Deputy Town Manager, Town of Marana, AZ
          Utilities File